



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Information Officer

At its meeting held January 13, 2004, the Board took the following action:

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The following item was called up for consideration:

Supervisor Knabe's recommendation to instruct the Chief Information Officer to lead an Information Technology (IT) Optimization assessment, to be done with the full cooperation of all County agencies, which should include opportunities for cost savings, efficiency/effectiveness benefits identified at the Countywide enterprise level and in specific agencies/departments with IT budgets over \$1 million annually; also include the utilization of knowledgeable, objective third parties from the IT industry to provide expertise, benchmark comparisons and industry best practices; and report back to the Board within three months with completion of the assessment.

Supervisor Knabe made the following revised statement:

"As the County sees continuing budget challenges for the foreseeable future, it must look to all areas to improve the efficiency of government services. An area that many other government entities are reviewing for cost effectiveness and efficiency is Information Technology (IT). The potential for cost savings in and through IT covers many areas, including:

- Technology procurements
- Utilization of IT resources
- Management of IT assets
- Improvement in service levels
- and others.

"Over the past several years, the Board approved several large IT policies to enhance cost-effectiveness and build on its existing infrastructure.

(Continued on Page 2)

6 (Continued)

“Several organizations throughout the United States have been able to identify savings of 10% to 25% in IT while improving the quality and reliability of IT services through IT Optimization. These benefits take time to achieve, but are possible given the current state of technology and maturing IT practices and processes.

“Therefore, I propose that the Chief Information Officer lead an IT Optimization effort at the County, working closely with County agencies and departments to assess opportunities for improvement and cost savings in areas such as:

- Infrastructure, e.g., networks and data centers
- Procurement and contracts, e.g., potential economies of scale in hardware/software licensing
- Process (Operational and Development), e.g., application development and maintenance processes, asset management, and others
- Management, e.g., project management, resource management.

“The objective of the assessment is to determine the potential benefits of IT Optimization, the actions that would need to be taken, and the investments and timeframes to realize the benefits.”

Merritt Holloway addressed the Board.

After discussion, on motion of Supervisor Knabe, seconded by Supervisor Antonovich, unanimously carried, the Chief Information Officer was instructed to:

1. Establish a Countywide IT Optimization Working Group, chaired by the CIO and supported by departmental IT and non-IT management personnel, with the initial focus of the group to identify areas for optimization and cost reductions related to the management and operation of technology-based resources;

(Continued on Page 3)

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2. Create an Industry Panel for Guidance of County IT Optimization, and once areas of opportunity have been identified, seek out industry specialists from the Information Systems Commission and the Quality and Productivity Commission to participate on a panel to provide input and guidance related to industry-wide optimization practices, with panel to be established on a volunteer (i.e., no cost) basis;
3. Formalize any recommended IT Optimization initiatives and incorporate these initiatives into the Strategic Plan; and
4. Report progress to the Board on sixty-day intervals.

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Copies distributed:

Each Supervisor
Chairman, Information Systems Commission
Chair, Quality and Productivity Commission